

THE PITTSBURGH & LAKE ERIE RAILROAD COMPANY

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RECORDATION F.O. 12128-E
Filed 1425

JAN 9 1984 - 4 10 PM

INTERSTATE COMMERCE COMMISSION

January 5, 1984

SUITE 780, COMMERCE COURT
FOUR STATION SQUARE
PITTSBURGH, PA 15219-1199
PHONE (412) 261-3201

Ms. Agatha L. Mergenovich, Secretary
Interstate Commerce Commission
12th and Constitution Ave., N.W.
Washington, D. C. 20423

No. 4-0694153
Date JAN 9 1984
Fee \$ 10.00 DJ

ICC Washington, D. C.

Dear Ms. Mergenovich:

Enclosed for filing with the Commission pursuant to Section 11303(a) of the Interstate Commerce Act are six executed originals and three copies of the following document:

Release of Collateral, dated December 13, 1983, from the Security Agreement, dated as of July 31, 1980, as amended and supplemented, between The Pittsburgh and Lake Erie Railroad Company and The First National Bank of Boston, as Agent, said Agreement having been filed with the Interstate Commerce Commission and assigned Recordation No. 12128, et seq.

Also enclosed is P&LE Voucher No. 5217, dated January 5, 1984, in the amount of \$10.00, payable to the Treasurer of the United States, to cover the recording fee prescribed by the Commission in its rules and regulations.

Please acknowledge receipt at your earliest convenience by stamping and returning to me six executed originals and two copies of the document.

Very truly yours,

G. Edward Yurcon

encs.

FEE OPERATIONS
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RECEIVED

12128-E
RECORDATION NO. 12128
JAN 9 1984 4 10 PM
INTERSTATE COMMERCE COMMISSION

RELEASE OF COLLATERAL

This is a Release of Collateral, dated as of this 13th day of December, 1983, from the Security Agreement, dated as of July 31, 1980, as amended and supplemented, between The Pittsburgh and Lake Erie Railroad Company, a Delaware corporation (the "Company"), and The First National Bank of Boston, as Agent (the "Agent"), for itself and for Continental Illinois National Bank and Trust Company of Chicago, Manufacturers Hanover Trust Company, Pittsburgh National Bank and Equibank (collectively, the "Banks"), recorded with the Interstate Commerce Commission on August 22, 1980, and assigned Recordation No. 12128 (the "Security Agreement").

W I T N E S S E T H:

WHEREAS, the Company and the Banks are parties to the Security Agreement and the related Secured Revolving Credit and Term Loan Agreement, dated as of July 31, 1980, as amended, (the "Credit Agreement"), and as supplemented on August 12, 1983 (the "Supplement to Security Agreement"); and

WHEREAS, pursuant to the Credit Agreement, the Security Agreement, and the Supplement to Security Agreement, the Company granted and created in favor of the Agent for the benefit of the Banks, a security interest under the Uniform Commercial Code as enacted and in effect in the Commonwealth of Massachusetts (the "Code") and under 49 U.S.C. §11303 in certain railroad equipment, which railroad equipment constitutes "Collateral" as defined in §1(d) of the Security Agreement; and

WHEREAS, there are eleven (11) Gondolas, Identification Nos. P&LE 14359, 14369, 14394, 14457, 14467, 14469, 14513, 14564, 14633, 14666 and 14797 (the "Gondolas") constituting in part, the Collateral as described in Schedule A of the Security Agreement which the Company desires to have released from the security interest of the Agent, and to have deleted from the list of Collateral on file with the Interstate Commerce Commission.

NOW, THEREFORE, in consideration of the premises and the agreement of the Company to cause payment to the Agent of certain proceeds of the sale of the Gondolas, the parties agree as follows:

COPY

1. The Agent hereby releases its security interest under the Code and under 49 U.S.C. §11303 in and to the Gondolas having Identification Nos. P&LE 14359, 14369, 14394, 14457, 14467, 14469, 14513, 14564, 14633, 14666 and 14797.

2. Except as provided hereinabove, the Credit Agreement and the Security Agreement are, in all respects, ratified and confirmed and all the terms, conditions and provisions thereof shall be and will remain in full force and effect.

3. The Company has entered into an agreement of sale in respect of the Gondolas (the "Agreement of Sale"). Pursuant to the Agreement of Sale, the Company is entitled to receive \$39,600.00 as payment for the Gondolas. From said proceeds the Company shall be entitled to reimburse itself in the amount of \$4,005.54 which it spent in changing reporting marks and movement of the Gondolas pursuant to the Agreement of Sale, and the Company will cause the remaining balance of \$35,594.46 due under the Agreement of Sale to be effected in a manner so that the Bank will receive, directly from the purchaser of the Gondolas, the remaining cash proceeds due under the Agreement of Sale; such amount shall be paid directly to the Bank by means of a check drawn by or on behalf of the purchaser under the Agreement of Sale and payable to the order of the Bank, or by direct funds transfer from such purchaser's bank to the Bank, and in any event the Company will ensure that none of such cash proceeds becomes commingled with the property of the Company. The Bank will apply such cash proceeds toward payment of the principal amount of the Secured Obligations in such order as the Bank in its sole discretion shall determine.

4. The Company will cause this Release of Collateral to be filed and recorded in the Office of the Interstate Commerce Commission pursuant to the provisions of 49 U.S.C. §11303, and will furnish to the Agent and the other Banks a certificate or other evidence satisfactory to the Banks of such filing and recording.

5. This Release of Collateral may be simultaneously executed in several counterparts, each of which shall be deemed

to be an original, and all of which shall together constitute but one and the same instrument.

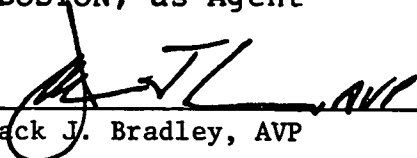
IN WITNESS WHEREOF, the parties have caused this Release of Collateral to be signed as of the day and year first above written.

ATTEST:




THE FIRST NATIONAL BANK OF
BOSTON, as Agent

By


Jack J. Bradley, AVP

ATTEST:


G. Edward Yurcon
Assistant Secretary

THE PITTSBURGH AND LAKE ERIE
RAILROAD COMPANY

By


Gordon E. Neuenschwander
Executive Vice President

COMMONWEALTH OF MASSACHUSETTS)
) SS:
COUNTY OF SUFFOLK)

On this 13th day of December, 1983, before me personally appeared Jack J. Bradley, to me personally known, who being by me duly sworn, says that he is Assistant Vice President of The First National Bank of Boston, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Stephen J. Grant
Notary Public

My Commission Expires: July 29, 1988

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF ALLEGHENY)

On this 30th day of November, 1983, before me personally appeared GORDON E. NEUENSCHWANDER, to me personally known, who, being by me duly sworn, says that he is the EXECUTIVE VICE PRESIDENT of The Pittsburgh and Lake Erie Railroad Company, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Donna L. Woshner
Notary Public

My Commission Expires: MY COMMISSION EXPIRES OCT. 26, 1987
-Member, Pennsylvania Association of Notaries

DONNA L. WOSHNER, NOTARY PUBLIC
PITTSBURGH, ALLEGHENY COUNTY